

PERSONNEL PROCESS IN A PROJECT – THE FORM AND IMPLEMENTATION PRACTICE

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Abstract

The literature focused on project-based management is frequently discussing the problems of team management. The activities addressed to project team members can be approached from the perspective process. Personnel process should represent the set of interrelated, coordinated activities contributing to the project goal implementation. The purpose of the article is to provide an answer – based on literature studies and empirical research – to the questions regarding the implementation methods of personnel process stages in a project, the occurring shortcomings, the process integrity, and changes to be made for its improvement.

Keywords: *project, personnel process, project manager.*

1. Introduction

A project represents an action performed to achieve a unique objective, involving many actors (team oriented), carried out according to a plan, which due to its complexity is implemented using special methods (see Kotarbiński, 1970, p. 193). Project-based management refers to applying knowledge, skills, tools, and techniques concerning the activities performed in a project in order to meet or exceed the demands and expectations of stakeholders towards a project (Ward, 2000, p. 168). Moreover, the so-called project-based approach to an organization management is manifested by appointing project teams, establishing the project manager function, and applying tools characteristic in the field of project management. Currently, an increasing number of organizations have been implementing such approach due to the factors listed below (see Bee & Bee, 2000, pp. 1-2):

- Organizations function in a turbulent environment which requires their flexibility and fast reaction to changes.
- The complexity of tasks is continuously increasing along with their implementation time reduction.

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- The pressure on resources is present, imposing their effective usage as well as the connection between direct input resources and output results.
- The qualified personnel expects new professional challenges and working conditions in a creative and flexible environment.

Most people can give the examples of buildings or bridges construction designs. Project-based approach is also popular in IT sector. More often, however, a project results in organizational change. Today, even in the industries traditionally based on operational (reproducible) activities, as the core element of their functioning, projects begin to play an increasingly important role.

In the perspective of the project above universal diversity model, underlying the course of project work implementation does not exist. The subject literature discusses various presentations of a project life cycle (see, e.g., Litke, 1993, p. 25; Trocki, Grucza & Ogonek, 2003, p. 30). Nevertheless, a project is always carried out by people who make up a project team. According to the Standish Group “qualified resources” are listed among ten areas in which project success factors should be investigated (Turner, 2009, p. 56). In turn, Pinto and Slevin (1988, pp. 69-70) include personnel among the ten factors of project success. The quoted authors refer to the term of personnel known as the activities focused on people such as recruitment, selection, and training to ensure a complete team. The literature in the field of project-based management frequently discusses the problems of team management and the role of a project manager. Meanwhile, the activities addressed to project team members can be approached from the perspective of a process covering personnel needs planning, recruitment and selection of team members, introduction to project work, appraisal, training, remuneration, and relocation. Undoubtedly, personnel process should be made up of interrelated activities designed to accomplish a specific project goal.

Having the above in mind, a goal in the article was defined by answering the following research questions:

- 1) What instruments (methods, modes, techniques) are applied within the framework of activities performed in a personnel process in a project?
- 2) Is the personnel process in a project, in practice, made up of interrelated, consistent activities?
- 3) What are the reasons for shortcomings occurring in a personnel process in a project?
- 4) What changes can be suggested to improve the methods of a personnel process in a project implementation?

In order to carry out the purpose specified above such research methods were applied to literature studies and empirical research conducted in the period 2014-2015

in 100 enterprises, in which project-based management approach was implemented. The research was executed within the framework of the project funded by the National Science Centre (DEC-2013/09/D/HS4/00566).

2. Personnel process in a project – its graphic presentation and implementation determinants

As it has already been set out in the introduction, the literature discussing project-based management is focused on the problem of team management. For example, the publication presents one of the most popular project management in methodologies, i.e., “Project Management Body of Knowledge” (Project Management Institute [PMI], 2004, p. 201). It lists the following activities addressed to personnel in a project: planning needs, recruiting team members, team development, and project team management. In Polish subject literature, among the activities related to project team management the problems of team construction (including development), motivation, appraisal and conflict management (Wachowiak, Gregorczyk, Grucza & Ogonek, 2004) are emphasized. Attention is also paid to the role of a project manager and management styles (Bielawa, 2014, pp. 105-108). The area of interest also covers the group process (team development stages by Tuckman) and the determinants of an actual team construction in terms of project specificity (Pearce, Powers & Kozlowski, 2015, pp. 430-435).

Even though – as Sanders and Yang (2016, pp. 201-217) claim – much attention have recently been paid to the assessment of activities related to human resources management (HRM), only few publications cover the problem of approaching HRM from the process perspective. During the past decade, however, an increasing interest in the process oriented approach to HRM has been observed (see Bowen & Ostroff, 2004, pp. 203-221; Nishii, Lepak & Schneider, 2008, pp. 503-545; Katou, Budhwar & Patel, 2014, pp. 527-544). The subject literature uses such terms as “personnel process” or “personnel processes.” The latter refers to the following processes:

- the process of people entering an organization,
- the process of people functioning in an organization,
- the process of people leaving an organization.

In case of a different approach such activities as recruiting workers, adaptation of new employees, their development and leaving an organization are, in turn, treated as the components of one personnel process (more in Marciniak, 2006, pp. 11, 33). The author of the hereby study adopted that the personnel process represents a complex notion made up of smaller sub-processes.

Having in mind the output of HRM discipline, including different – presented in literature HR function scopes – it was fully founded to discuss the activities focused on personnel in a project, which make up a logical sequence and thus create a process (Figure. 1). These activities remain analogical to the ones addressed to employees of permanent units in an enterprise.

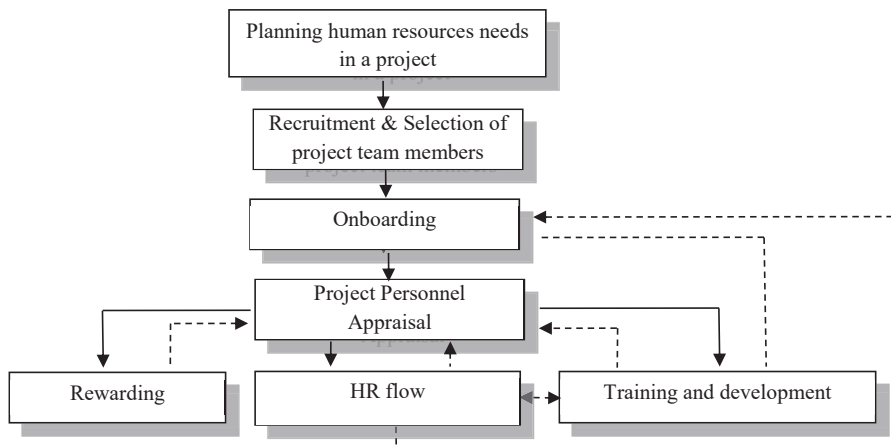


Figure 1. Personnel process in a project

Personnel process in a project starts with planning human resources needs and finishes with ending up cooperation in a project (relocation outside the project). It is connected with an employee’s life cycle in a project. This process encompasses an ordered set of coordinated and complimentary activities as well as the information exchange and decision-making procedures; it integrates economic and normative rationality. Personnel process should support the implementation of project goals by constructing such team which shall present adequate competencies (knowledge and skills) and motivation indispensable to perform specific tasks in a defined time and in line with the planned budget. Personnel process should be evolutionary, i.e., continuously evolving and adapting by drawing on past experience to refine the effectiveness of activities (Amit & Belcourt, 1999, pp. 174-181). The mistakes made in a personnel process during one project realization can affect people’s behaviors in the subsequent projects.

Considering how the components of personnel process were presented in Figure 1. It should be added that personnel relocation refers to many different activities and the possibility of the undertaking is determined by the type of project and employment a team members form. Such relocation may relate to role changing in the project (evaluated by a team member as “positive” or “negative,” i.e., perceived as a form of promotion or degradation) and transfer

(changed project but the same role, transfer to a different project, reinstatement of an employee to work in permanent enterprise structures, dismissal of a person employed exclusively for the purposes of project implementation). The feedback between personnel process components has been marked by a dashed line. For example, within the framework of personnel selection – and specifically introduced to work – adequate training is organized. One employee transfer to a different project may imply the needs related to a new team member recruitment (filling the vacancy). In turn, relocation, which takes the form of the role change into a more appropriate one, is strictly connected with personnel development. One of the related development methods is assigning more complex or responsible tasks.

The approach presented in figure 1, represents the model one. The result of – formal or informal – appraisal should imply adequate training, remuneration, and relocation (HR flow). However, whether the personnel process in a project covers all the above-listed activities depends on- e.g., the project type. In case of extended and complex projects, it is possible to employ the leading project manager and sub-projects' managers, which opens larger opportunities for getting the managerial role. In general, the chances are higher for changing the role in the course of a long-term project implementation. Beyond any doubt, a project of innovative nature poses a development oriented challenge for a project team member, just like a dynamic project with a large number of unknown factors in the entire implementation process. In case of a non-autonomous project, where enterprise employees are delegated to work on a project and combine work in a project with work in a particular department, it may turn out difficult to constitute the formal periodical appraisals. However, an additional condition should be pointed to at this point, i.e., the relationship between the time of work in the project and the cell line. It should also be emphasized that a project is perceived as a certain form of work organization, subject to legal regulations and internal rules adopted in an enterprise. It primarily refers to labor law provisions, but also employee remuneration procedures followed in an enterprise implementing a project. In this respect, many issues depend on the adopted structural solutions, organization culture followed by a given entity, including how valuable both projects and participation in them remain, what is the position of a project manager, what are the powers and entitlements of the other decision-making bodies, etc.

As far as the decision-makers are concerned the project manager is considered the main project “actor.” However – in the opinion of Shtub, Bard and Globerson (2005, p. 14) – the role of the project manager may start at different points in the life cycle of a project. Some managers are involved from the beginning, helping to select the project and form the team.

Others may begin at a later stage and be asked to execute plans that they did not have a hand in developing. It also refers to the project managers' involvement in the personnel process implementation.

3. The methods of personnel process implementation in a project – the results of empirical research

Before the results of conducted research are discussed, it is worth presenting the research process itself. It was adopted, following Sudol (2007, p. 69) that in case of management sciences – as social sciences – the induction scientific methods remain most appropriate. In the empirical studies carried out in the years 2014-2015, within the framework of a larger project funded by the National Science Centre (DEC-2013/09/D/HS4/00566), an ideographic approach was applied based on a purposive sample. In the process of the research sample construction, it was taken into account that the number of organizations using project-based approach is difficult to determine. One of the conditions for including a particular economic unit to a research sample was the occurrence of permanent cells (departments) in its organization structure and interdisciplinary project teams, as well as the positions or functions of a project manager.

The research – based on structured and free-form interviews with project managers, project work executors and HR employees – covered 100 medium-sized and large enterprises. In the studied organizations, the projects implemented were not of incidental nature and were managed based on methodological approach. The relevant studies were preceded by pilot studies in the form of focused interviews carried out with the representatives of the aforementioned groups (more in Piwowar-Sulej, 2016, pp. 101-110). The below table lists the most popular practices identified in the research sample, i.e., present in over 50% of the analyzed organizations.

Table 1. The methods of personnel process implementation in a project – the summary of empirical research results

The stage of personnel process in a project	Implementation methods
Planning personnel needs	Planning is based on the assumption that the need regarding personnel will be analogous to the needs in previous, similar projects or a parametric method is applied, i.e., using data from previous projects and their appropriate calculation following the parameters of the current project. Industry catalogs of norms are used at this stage.

The stage of personnel process in a project	Implementation methods
Recruitment and selection of project team members	Recruitment is most frequently carried out based on internal sources. Project managers value the recommendation method the most. An interview and the documentation analysis are used in the selection process.
Introduction to project work/Onboarding	Introduction to work is a pre-planned process.
Appraisal of the project personnel	Both formal and informal appraisal systems are used (informal appraisal remains, however, more popular). An appraisal is most often done in the course of an interview, whereas milestones define the appraisal moment. The appraisal (primarily the informal one) is the background for the decisions about remuneration, training, and relocation.
Remuneration	Team members' remuneration is included in the project budget. Team budget for bonuses is usually divided between team members following the project completion. In case of long-term projects, bonuses are paid in the form of advance payments after achieving the subsequent milestones. There is, however, no relationship between the project phase and the amount of such bonus fraction.
Training and development	The participation in the project itself is the source of potential human development. Training indispensable for successful project realization are organized.
HR flow/Relocation of team members	In the course of a large project implementation, the role of a team member can be subject to changes. Formal "career paths" do not exist in case of projects.

Having analyzed the information presented in Table 1 and referring to the second research question it can be concluded that the personnel process in a project consists of interrelated stages. It is particularly visible in the practice of referring to an employee's appraisal as the basis for making other personnel oriented decisions. It should, however, be emphasized that the assessments made are predominantly of informal nature; thus their criteria are not written down and are not clearly communicated to employees. Work executors in projects also admitted that they do not know the principles underlying remuneration for work in a project. The formal rules for project team members are not developed either. The interviews carried out with the candidates for project team members were not evaluated highly by the executors of work. Thus, certain shortcomings are present in the methods of personnel process implementation. Among them, the absence of the relationship between the bonus level and the project stage can also be included.

Moreover, some practices presented in Table 1 occur in slightly more than 50% of the analyzed organizations. They refer not only to the methods of personnel process implementation but also to an active approach of a project manager. As far as the role of a project manager is concerned, in terms of

personnel process implementation, it should be stated that project managers do not always participate in personnel process planning for the project needs. Furthermore, they rarely have any influence on the composition of the team they manage. They select personnel for work in a project in 58% of the analyzed organizations. It often happens that line managers assign people to be temporarily involved in project work. A project manager, in turn, deals with introducing personnel to project work. In the course of project implementation, it is mainly the manager who does the coaching of the team members. The project manager also applies to the employer, in 60% of organizations, for granting monetary or in-kind gratification for the participation in a project. In other organizations project managers do appraise subordinate to the work executors, however, the appraisals – as the free-form interviews confirm – are usually passed on to line managers. The latter – in the situation when a project manager does not have any bonus budget at the disposal of the team members – apply for granting their subordinates with extra gratifications for project participation.

In 1988 Drucker's article was published and revealed that in twenty years a typical large company should have half of the existing management levels and the particular tasks will be performed by experts focused on specific projects (Harvard Business Review, 2006, p. 8). The importance of projects is growing, which does not necessarily correspond to the rank of a project manager in the studied organizations. Project managers admitted that in their opinion some activities in the personnel process are performed needlessly and "somewhat" for the benefit of different cell lines. Frequently the division of entitlements is neither clearly defined nor known. The justification for such situation is missing. Other activities – traditionally assigned to individuals at managerial positions – are not performed at all. This – low – position of a project manager, against a line manager, remains – in the opinion of these respondents – an obstacle in an effective project implementation. Including various decision-makers in personnel issues has an impact on the lack of personnel process consistency in a project.

Attempting to answer the question about, the reasons for shortcomings in a personnel process it is impossible to remain focused exclusively on the limited role of a project manager. The earlier discussion points to the absence of professionalism in the selection and application of particular methods for the analysis process implementation. Therefore, first, an appraisal should be made, and following the project manager's competencies should be developed. It refers to such managerial skills as conducting an interview, managing communication in a team, and work assessment. It is worth emphasizing at this point that the conducted research revealed only marginal participation of HR staff in the development and implementation of particular personnel process stages in a project.

4. The recommended changes of personnel process implementation in a project

When a business process is not helping an organization reach a goal within the timeline or with the resources at hand, there are some strategies to execute for improvements. In accordance with the principles of business processes, the optimization of duplicating activities performed by a project manager and a line manager, can be eliminated. Moreover, the process should also be standardized, i.e., the practices carried out at its every stage should be replicated. In the previous part of the study, the need for developing project manager's managerial competencies was pointed out, which should remain the responsibility of HR department in an organization. More suggestions for changes in the personnel process implementation in a project are presented below.

One of the most neglected decision-making areas of a project manager is the stage of other team members selection. The shortcomings occurring at this stage are, undoubtedly, reflected in the subsequent phase of personnel process. If a person who follows a certain routine, prefers working in his/her cell line, in the team of well-known colleagues, is assigned to work on a project, success in involving such an individual in project work is more difficult to achieve. The situation is even more complicated when a line manager is the one who performs an employee's appraisal and decides about a bonus based on the results achieved in a cell line.

As it has already been pointed out, in case of long-term projects, bonuses are paid as advance payments following the achievement of subsequent milestones. Simultaneously, there is no connection between the project phase and the amount of the bonus fraction. In such situation, the more advanced a project phase is, the higher the amount of bonus fraction should be. This approach should have a positive impact on maintaining the team members' motivation level.

In case of long-term projects, it is possible to develop a "career" path, i.e., the map of possibilities for changing the role in a project. For example, in a complex, innovative IT project the role change can be done analogically to the position change within IT department, e.g., from a programmer through IT architect to an analyst. Apart from functional roles, the concept of team roles by Belbin (2008) should also be taken into account. A person with the assigned role of an "executor," but with the potential of a "connector" should rather be responsible for tasks related to contacts with external stakeholders of a project.

If granting more extensive decision-making powers to project managers is not possible, which can result from the characteristics of an enterprise organizational culture, what remains is to develop appropriate relations

between a project manager and a line manager. In the literature, on project-based management, the functional managers are referred to as “resource owners.” They play important roles as they produce short- and long-range staffing plans, hire, fire and develop the staff. At the same time, they are focused on their “kingdom,” i.e., the tasks implemented within the given function (Project Management Institute, 2001, pp. 24-25). The project managers’ primary task is to convince the line manager effectively to perform for the benefit of projects. What can a project manager do to earn the support of functional managers? He/she should educate them.

However, it does not mean to deliver “stiff” lectures on project management methodology, but to the joint perspective on the implementation of organizational goals along with partnership construction. Such partnership should, in fact, be developed between three entities, i.e., the line manager, the project manager, and the HR department.

5. Conclusions

The purpose of the article was to present and evaluate personnel process in a project from the theoretical and practical perspective. The analysis was conducted covering methods used in the implementation of activities carried out in the practice of enterprises which apply project-based management. The role of a project manager was discussed in an institutional area.

Based on the empirical research results it was shown that there are certain shortcomings regarding personnel process in a project. It refers, e.g., to the lack of professionalism at the stage of team members selection and the absence of formalization at some stages of the process. Even though the activities undertaken in relation to team members are interrelated, still the personnel process lacks internal consistency. It goes along with an unclear division of powers between a project manager and a line manager.

The postulation part of the study recommends changes aimed at personnel process improvement in the analyzed organizations. They cover training for project managers in management skills, the implementation of substantive solutions in terms of project personnel selection, and the related rewarding or relocation. To avoid organizational chaos, the decision-making bodies, within the personnel process should be clearly defined and communicated, including their powers in the decision-making process. Partnership type of relationships should be developed in an organization between project managers and “resource owners” (line managers) as well as HR specialists.

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